

*General Counsel* means the General Counsel of the Social Security Administration or his or her designees.

*Inspector General* means the Inspector General of the Social Security Administration or his or her designees.

*Material fact* means a fact which the Commissioner of Social Security may consider in evaluating whether an applicant is entitled to benefits under title II or eligible for benefits or payments under title XVI of the Social Security Act.

*Penalty* means the amount described in § 498.103 and includes the plural of that term.

*Person* means an individual, organization, agency, or other entity.

*Respondent* means the person upon whom the Commissioner or the Inspector General has imposed, or intends to impose, a penalty and assessment, as applicable.

*Secretary* means the Secretary of the U.S. Department of Health and Human Services or his or her designees.

*SSA* means the Social Security Administration.

*SSI* means Supplemental Security Income.

[60 FR 58226, Nov. 27, 1995, as amended at 61 FR 18079, Apr. 24, 1996]

**§ 498.102 Basis for civil monetary penalties and assessments.**

(a) The Office of the Inspector General may impose a penalty and assessment, as applicable, against any person whom it determines in accordance with this part—

(1) Has made, or caused to be made, a statement or representation of a material fact for use in determining any initial or continuing right to or amount of:

(i) Monthly insurance benefits under title II of the Social Security Act; or

(ii) Benefits or payments under title XVI of the Social Security Act; and

(2)(i) Knew, or should have known, that the statement or representation—

(A) Was false or misleading; or

(B) Omitted a material fact; or

(ii) Made such statement with knowing disregard for the truth.

(b) The Office of the Inspector General may impose a penalty against any person whom it determines in accordance with this part has made use of

certain Social Security program words, letters, symbols, or emblems in such a manner that they knew or should have known would convey, or in a manner which reasonably could be interpreted or construed as conveying, the false impression that an advertisement or other item was authorized, approved, or endorsed by the Social Security Administration, or that such person has some connection with, or authorization from, the Social Security Administration.

(1) Civil monetary penalties may be imposed for misuse, as set forth in § 498.102(b), of—

(i) The words “Social Security,” “Social Security Account,” “Social Security Administration,” “Social Security System,” “Supplemental Security Income Program,” or any combination or variation of such words; or

(ii) The letters “SSA,” or “SSI,” or any other combination or variation of such letters; or

(iii) A symbol or emblem of the Social Security Administration (including the design of, or a reasonable facsimile of the design of, the Social Security card, the check used for payment of benefits under title II, or envelopes or other stationery used by the Social Security Administration), or any other combination or variation of such symbols or emblems.

(2) Civil monetary penalties will not be imposed against any agency or instrumentality of a State, or political subdivision of a State, that makes use of any symbol or emblem, or any words or letters which identify that agency or instrumentality of the State or political subdivision.

(c) The use of a disclaimer of affiliation with the United States Government, the Social Security Administration or its programs, or any other agency or instrumentality of the United States Government, will not be considered as a defense in determining a violation of section 1140 of the Social Security Act.

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